

Agency 343

Higher Education Coordinating Board**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2003-05 Expenditure Authority	78.7	325,131	17,355	342,486
Total Maintenance Level	85.9	330,215	29,964	360,179
Difference	7.3	5,084	12,609	17,693
Percent Change from Current Biennium	9.2%	1.6%	72.7%	5.2%
Performance Changes				
Washington Center Internships		200		200
Jefferson County Pilot Project		350		350
Performance Pay		72	25	97
Nonrepresented Employees Cost of Living Adjustment		288	108	396
Nonrepresented Employees Health Benefit Change		85	43	128
Pension Method Change		(191)	(68)	(259)
General Inflation		(14)	(43)	(57)
High-Demand Enrollment Grant		26,400		26,400
State Need Grant		32,797		32,797
Fulfill Intent of Promise Scholarships		17,275		17,275
Subtotal		77,262	65	77,327
Total Proposed Budget	85.9	407,477	30,029	437,506
Difference	7.3	82,346	12,674	95,020
Percent Change from Current Biennium	9.2%	25.3%	73.0%	27.7%
Total Proposed Budget by Activity				
Coordination and Policy for Higher Education	28.3	4,064	4,244	8,308
Administrative Activity	3.0	841	79	920
Deleted	(.2)			
High-Demand Enrollments	(.8)	26,400		26,400
Interstate Exchange Programs for Higher Education		593		593
Prepaid Tuition and Savings Plans	19.5		6,458	6,458
Student Financial Aid Programs	36.1	375,073	19,044	394,117
Compensation Cost Adjustment		506	204	710
Total Proposed Budget	85.9	407,477	30,029	437,506

HIGHER EDUCATION

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Washington Center Internships

Washington Center internships provide Washington college students the opportunity to participate in full-time, semester-long internships in Washington, DC. Students apply to the Washington Center for placement in various agencies in Washington, DC related to the students' program majors and public sector career interests. Funding is provided to increase the number of \$4,000 scholarships from 15 to 40 per year. These scholarships, distributed by the Higher Education Coordinating Board, will help to ensure that students of all income levels are eligible to participate by offsetting housing and living expenses.

Jefferson County Pilot Project

Continued funding provides for a demonstration project to increase opportunities and participation in postsecondary education in rural areas of Jefferson County.

High-Demand Enrollment Grant

The competitive grant program awarding public baccalaureate institutions high-demand enrollment funding complements general enrollments appropriated directly to the institutions. The funds will support high-demand enrollments at an average of \$11,000 per FTE student. Enrollments funded through this program will respond to the economic development needs of the state and its regions by increasing the number of highly skilled students who earn degrees in key occupational fields such as biotechnology and health care. These funds will support approximately 1,600 student FTEs for the biennium.

State Need Grant

This increase for the State Need Grant program will increase the grant award amount sufficient to offset tuition increases of 5 percent in each year of the biennium. The additional impact of the new enrollments assumed in this budget will be covered, and a portion of the current unserved students will also receive grant funding with the goal of bringing the number of unserved students to zero over a period of six to eight years.

Fulfill Intent of Promise Scholarships

Funds increase the Promise Scholarship grant award to 75 percent of community and technical college tuition and fees levels, including expected increases of 5 percent per year. In addition, the grants will now be available to the top 20 percent of each graduating class with a family income no greater than 135 percent of the median family income. This change in eligibility requirements will allow an additional 5,000 students to qualify for these merit-based awards..

ACTIVITY DESCRIPTIONS

Coordination and Policy for Higher Education

The HECB develops and coordinates higher education policy along with the research and regional universities, community and technical colleges, and private institutions. This activity includes producing a statewide strategic master plan; reviewing capital and operating budget requests; approving degree programs; authorizing degree-granting institutions; developing minimum admissions standards; researching and producing reports according to statutory timetables; and a variety of other statutorily defined functions.

Administrative Activity

This activity provides executive leadership (executive director, deputy director, and executive assistant) and overhead costs for the Board.

High-Demand Enrollments

The Board manages a competitive process for awarding a total of 500 high-demand student FTE staff averaging \$11,000 each in programs where access is limited and employers are experiencing difficulty finding qualified graduates to fill job openings. The Board prioritizes proposals based on five fields defined in statute and/or compelling proposals that document specific regional student and employer demand in other fields.

Interstate Exchange Programs for Higher Education

Washington is a member of the Western Interstate Commission for Higher Education. Through this program, Washington residents can obtain out-of-state tuition support to pursue optometric or osteopathic medicine degrees in 15 member states. In addition, the Commission uses dues collected from its member states to fund studies of higher education programs and policy issues.

Prepaid Tuition and Savings Plans

The Guaranteed Education Tuition program allows families to purchase tuition units now and use them later. The program invests these funds, and the purchaser is guaranteed a return that will cover tuition at a future date at any eligible public or private accredited educational institution in the nation. (Advanced College Tuition Payment Program Account-Nonappropriated)

Student Financial Aid Programs

The Board administers a number of state financial aid programs, including direct grants and scholarships, reimbursement to qualifying organizations that employ eligible students, and scholarships or loan repayments tied to a service requirement in a qualified teaching or health profession position.

Compensation Cost Adjustment

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.